#### STATE OF VERMONT

### HUMAN SERVICES BOARD

In re	)	Fair	Hearing	No.	20,438
	)				
Appeal of	)				

## INTRODUCTION

The petitioner appealed a decision of the Department for Children and Families, Health Access Eligibility Unit (HAEU) denying payment for Oxycodone ER. The petitioner paid for the medication out of his funds and is seeking reimbursement. The issue is whether the cost of the medication is covered under Medicaid policy.

# FINDINGS OF FACT

- 1. Petitioner requested prior authorization for the use of Oxycodone ER, 10 mg. for his minor daughter who was scheduled to undergo knee surgery for an ACL repair. The actual request for prior authorization was submitted by Dr. Michael Sparks. Prior authorization for Oxycodone ER was denied on July 20, 2006.
- 2. Petitioner's daughter's operation occurred July 20, 2006. Dr. Sparks had received the preauthorization denial. Petitioner paid for the Oxycodone ER from his funds. The cost was \$11.00. Petitioner appealed the denial.

- 3. Oxycodone ER is not on the preferred drug list for pain medications, but can be covered if certain criteria are met. Dr. Sparks' preauthorization request did not document that the patient had tried medications on the preferred drug list or that there had been any side effects, allergic reaction, or treatment failure from any of the drugs on the preferred drug list. Dr. Sparks' preauthorization request did not document that there had been a treatment failure or inadequate relief for at least one week after a trial of at least one medication from the preferred drug list.
- 4. The fair hearing commenced on September 1, 2006.

  The petitioner was given an opportunity to seek further documentation from Dr. Sparks. The documents supporting the Department's position were mailed to petitioner on or about September 7, 2006.
- 5. The fair hearing process was concluded on September 29, 2006. Petitioner was not able to obtain documentation from Dr. Sparks.

### ORDER

The Department's decision is affirmed.

# REASONS

Under the Medicaid program, prior authorization is required for certain procedures and medications. The purpose of prior authorization is, in part, to control costs, and, in part, to assure that treatment options fall within accepted parameters. Medicaid Manual M106.1.

In terms of pain relief through the use of long acting narcotics (analgesics), the Department has a list of preferred medications for which prior authorization is not required. Oxycodone ER is not on the preferred medication list. The Department does recognize that there are situations in which the medications on the preferred list may not be adequate and has developed criteria for seeking prior authorization.

In particular, the criteria for approval are:
Non preferred medications:

■ The patient has a diagnosis or condition that requires a continuous, around the clock analgesic.

### AND

■ The patient has had a documented side effect, allergy, or treatment failure to at least one medication not requiring prior approval. Office of Health Access, Procedures, page 13.

There is no documentation that the criteria for prior authorization for Oxycodone ER have been met. Accordingly,

the Department's decision to deny prior authorization for Oxycodone ER is affirmed. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 17.

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